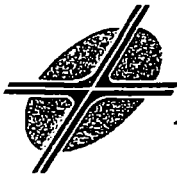


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ASH GROVE CEMENT WEST, INC.

Inter-Office Memorandum

Date April 12, 1991

To Ken Rone

From Daniel J. Peters

Copies to Dick Cooke

Subject Progress Report

Steve Sheridan

Jim Post

George Wells

EAST TERMINAL

The terminal operated at full staff with no work related injuries. A Safety Committee meeting was held and minutes for the meeting were posted. On Wednesday, the terminal completed 100 days in 1991 without a lost time accident. Coffee and doughnuts will be provided on Friday to mark this accomplishment by our team. Two temporary employees continue to help in meeting manpower requirements.

Cement shipments were slower due to inclement weather. This has allowed cement inventories to be increase to more than 33,000 tons. Railroad car unloading overtime will be reduced this weekend due to the high inventory levels. The Ideal II transfer has been reduced to minimum shipments. Silo #20 will be emptied during the first part of next week and converted to MTC I after an internal inspection. All placed bulk bag orders have been completed.

The Maintenance department continues to remain extremely busy. The railroad car unloading pump lost seal air on Wednesday causing a bearing failure. It is planned to find and install a sensing switch to prevent this problem from reoccurring. Bowl liners were installed in the north coal mill. Two coal mill motors were purchased which meet the current safety codes. The coal mill refurbish project is 90% complete. The finish mill discharge duct project was completed.

Individual meetings were held with supervisory personnel to review progress on goals established during their annual reviews and to establish new goals for the upcoming quarter.



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April 12, 1991

PROGRESS REPORT
SEATTLE TERMINAL

page 2

Ben McBride left on Thursday for a two week trip to Leamington to observe and participate in their maintenance overhaul.

Results were received on the PCB testing of the 26 plant oil switches. Four oil switches were found to have PCBs in excess of 2 ppm. Low level PCB contaminated materials will be removed next Tuesday and Wednesday.

A meeting with Maintenance supervisory personnel was held to review existing projects and establish completion dates. A similar meeting will be held with Production supervisory personnel next week.

Jim Ashenbach of Fuller was contacted for information on a 200 tph cement conveying system from the Group I silos to the dock. Budgetary numbers are expected next week.

Sam Irvin was interviewed for the Human Resource position.

The Auburn terminal was inspected by Chubb Insurance.

Silica inventories were replenished at Lone Star Northwest's Steilacoom operation. Tilbury Cement is expected to take another silica barge during the week of April 29.

Haight Roofing Company was contacted concerning the two Capital Budget roofing projects. They are expected to visit the terminal next week.

Lawn care at the terminal was awarded to Takahashi Mitsuru Gardening and will begin next week.

SHIPMENTS

East Terminal Sales	5303 tons
West Terminal Sales	0 tons
LSNW Shipments	0 tons